

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
MARSHALL DIVISION**

PLAINTIFF AND COUNTERDEFENDANT
BENEFICIAL INNOVATIONS, INC.,

Plaintiff,

vs.

CAREERBUILDER, LLC., a Delaware corporation; CNET NETWORKS, INC., a Delaware corporation; THE DALLAS MORNING NEWS, INC., a Delaware corporation; DIGG, INC., a Delaware corporation; EBAUM'S WORLD, INC., a New York corporation; GOOGLE INC., a Delaware corporation; JABEZ NETWORKS, INC., a Tennessee corporation; MORRIS COMMUNICATIONS COMPANY, LLC, a Georgia limited liability company; THE NEW YORK TIMES COMPANY, a New York corporation; YAHOO! INC., a Delaware corporation; and YOUTUBE, LLC, a Delaware limited liability company,

Defendants.

CASE NO. 2:09-CV-175-TJW

Jury Trial Demanded

**PLAINTIFF AND COUNTERDEFENDANT BENEFICIAL INNOVATIONS, INC.'S
REPLY TO COUNTERCLAIMS OF GOOGLE INC. AND YOUTUBE, LLC**

Plaintiff and Counterdefendant Beneficial Innovations, Inc. ("Beneficial Innovations") hereby answers the counterclaims of Defendants and Counterclaimants Google Inc. ("Google") and Youtube, LLC ("Youtube"). All of the allegations of Google's and Youtube's Counterclaims not specifically admitted are hereby denied.

Answer to Counterclaims

Nature of the Action

1. Plaintiff and Counterdefendant Beneficial Innovations admits that Google and Youtube purport to request a declaratory judgment that it does not infringe the claims of the '943 patent and that those patents are invalid.

The Parties

2. Plaintiff and Counterdefendant Beneficial Innovations admits the allegation contained in paragraph 2 of Google's and Youtube's Counterclaims.

3. Plaintiff and Counterdefendant Beneficial Innovations admits the allegation contained in paragraph 3 of Google's and Youtube's Counterclaims.

4. Plaintiff and Counterdefendant Beneficial Innovations admits it is a corporation existing under and by virtue of the laws of the State of Nevada and denies all other allegations contained in paragraph 4 of Google's and Youtube's Counterclaims.

Jurisdiction and Venue

5. Plaintiff and Counterdefendant Beneficial Innovations admits the allegations of subject matter jurisdiction in paragraph 5 of Google's and Youtube's Counterclaims.

6. Plaintiff and Counterdefendant Beneficial Innovations admits that venue is proper.

7. Plaintiff and Counterdefendant Beneficial Innovations admits that it has sued Google and Youtube for infringement of the '943 patent and that there exists a substantial, actual, and continuing controversy between Beneficial Innovations and Google and Youtube regarding the enforceability, infringement and validity of the '943 patent. Beneficial Innovations deny all other allegations contained in paragraph 7 of Google's and Youtube's Counterclaims.

8. Plaintiff and Counterdefendant Beneficial Innovations admits the allegations in contained paragraph 8 of Google's and Youtube's Counterclaims.

First Counterclaim
Declaratory Judgment of Non-Infringement of U.S. Patent 7,496,943

9. Paragraph 9 of Google's and Youtube's Counterclaims re-alleges and incorporates by reference the allegations of paragraphs 1-8 of Google's and Youtube's Counterclaims. Beneficial Innovations incorporates by reference its response to the allegations of paragraphs 1-8 of Google's and Youtube's Counterclaims. Except as expressly admitted, Beneficial Innovations denies each of the allegations of paragraph 9.

10. Plaintiff and Counterdefendant Beneficial Innovations denies the allegations contained in paragraph 10 of Google's and Youtube's Counterclaims.

11. Plaintiff and Counterdefendant Beneficial Innovations denies the allegations contained in paragraph 11 of Google's and Youtube's Counterclaims.

Second Counterclaim
Declaratory Judgment of Invalidity of U.S. Patent 7,496,943

12. Paragraph 12 of Google's and Youtube's Counterclaims re-alleges and incorporates by reference the allegations of paragraphs 1-11 of Google's and Youtube's Counterclaims. Beneficial Innovations incorporates by reference its response to the allegations of paragraphs 1-11 of Google's and Youtube's Counterclaims. Except as expressly admitted, Beneficial Innovations denies each of the allegations of paragraph 12.

13. Plaintiff and Counterdefendant Beneficial Innovations denies the allegations contained in paragraph 13 of Google's and Youtube's Counterclaims.

14. Plaintiff and Counterdefendant Beneficial Innovations denies the allegations contained in paragraph 14 of Google's and Youtube's Counterclaims.

Reservations of Additional Claims

15. Paragraph 15 contains a series of statements and do not appear to contain any allegations that call for a reply by Beneficial Innovations. Nevertheless, Beneficial Innovations denies each of the allegations contained in paragraph 15 of Google's and Youtube's Counterclaims.

Demand for Jury Trial

16. Plaintiff and Counterdefendant Beneficial Innovations demands trial by jury of all issues.

Prayer for Relief

Plaintiff and Counterdefendant Beneficial Innovations denies that Google and Youtube are entitled to the relief they seek or any relief for the allegations made in their Answer and Counterclaims. Plaintiff and Counterdefendant Beneficial Innovations requests that judgment be entered in its favor on all issues and it be awarded the appropriate damages, exceptional damages, costs, and attorneys' fees.

Dated: November 25, 2009

Respectfully submitted,

By: /s/ Julien A. Adams

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ATTORNEYS FOR PLAINTIFF
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CERTIFICATE OF SERVICE

I hereby certify that all counsel of record who are deemed to have consented to electronic service are being served this 25th day of November, 2009, with a copy of this document via the Court's CM/ECF system per Local Rule CV-5(a)(3).

/s/ Julien A. Adams _____
Julien A. Adams